

BUREAU OF LAND MANAGEMENT LAND CONVEYANCE,
GRANTS PASS, OREGON

JULY 8, 1997.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed

Mr. YOUNG of Alaska, from the Committee on Resources,
submitted the following

REPORT

[To accompany H.R. 1198]

[Including cost estimate of the Congressional Budget Office]

The Committee on Resources, to whom was referred the bill (H.R. 1198) to direct the Secretary of the Interior to convey certain land to the City of Grants Pass, Oregon, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. CONVEYANCE OF BLM LAND TO GRANTS PASS, OREGON.

(a) CONVEYANCE REQUIRED.—The Secretary of the Interior shall promptly convey to the City of Grants Pass, Oregon (in this section referred to as the “City”), without monetary compensation, all right, title, and interest of the United States in and to the real property described in subsection (b).

(b) PROPERTY DESCRIBED.—

(1) IN GENERAL.—The real property referred to in subsection (a) is that parcel of land depicted on the map entitled “Merlin Landfill Map” and dated June 20, 1997, consisting of—

(A) approximately 200 acres of Bureau of Land Management land on which the City has operated a landfill under lease; and

(B) approximately 120 acres of Bureau of Land Management land that are adjacent to the land described in subparagraph (A).

(2) DETERMINATION BY SECRETARY.—The Secretary of the Interior may determine more particularly the real property described in paragraph (1).

(c) CONSIDERATION.—As consideration for the conveyance under subsection (a), the Secretary shall require the City to agree to indemnify the Government of the United States for all liability of the Government that arises from the property.

PURPOSE OF THE BILL

The purpose of H.R. 1198 is to direct the Secretary of the Interior to convey certain land to the City of Grants Pass, Oregon.

BACKGROUND AND NEED FOR LEGISLATION

H.R. 1198 directs the Secretary of Interior to convey certain land to the City of Grants Pass, Oregon. This bill would convey 320 acres of real property located in the county of Josephine, Oregon, and currently managed by the Bureau of Land Management (BLM) to the City of Grants Pass, Oregon. The 320 acres has been leased by the City since 1968 as a solid waste landfill facility known as the Merlin Landfill. The BLM lease will expire on April 14, 2000, and will not be extended by the BLM.

The Merlin Landfill has been shown to have released hazardous substances which have been detected in the groundwater beyond the boundary of the leasehold. Because the release of the chemicals occurred on federal lands, the Comprehensive Environmental Response Compensation and Liability Act required that this landfill site be evaluated for listing on the National Priorities List (NPL). The evaluation showed that the contamination of this site was not significant enough to be placed on the NPL; however, the site still must be cleaned up.

This situation has caused some unique problems for the City. Since the site is on federal land it must be cleaned up by the BLM, if the City does not agree to perform this function. However, if the BLM were to complete the cleanup, the current landfill operation would be suspended, forcing the City to find an alternate landfill site. Furthermore, the substantial BLM cleanup costs would be passed on to each of the contributors to the landfill, including the local residents, businesses, and the City. The City cannot realistically afford the total costs of both cleanup and probable litigation with the BLM. These were the key reasons why the City agreed to clean up the landfill site and operate it in a manner that would generate the necessary funds to pay for the cleanup effort while working toward compliance of applicable law, including post-closure requirements.

The City has been working with the BLM and the Oregon Department of Environmental Quality (ODEQ) to accomplish the cleanup since 1991. All of these entities have worked hard to achieve major changes at the landfill site and bring it into compliance with applicable law. In fact, the City has already spent over \$1.7 million on the cleanup effort, including the installation of an alternate water supply for adjacent landowners, design and implementation of a groundwater recovery system, complete hydrological and geological assessments and evaluations of remedial alternatives. The City's cleanup effort has resulted in the ODEQ issuing a Consent Order for this landfill site with a finding that compliance of the provisions of the Consent Order constitute compliance with applicable law.

A unique aspect of this land conveyance is that the City is willing to accept all future responsibility and liability for the release of the hazardous substances which may arise from the property. The bill specifically requires the City to indemnify and hold harm-

less the United States Government from any future liability after title is secured from the BLM.

COMMITTEE ACTION

H.R. 1198 was introduced on March 20, 1997, by Congressman Robert Smith (R-OR). The bill was referred to the Committee on Resources, and within the Committee to the Subcommittee on National Parks and Public Lands. On May 20, 1997, the Subcommittee held a hearing on H.R. 1198, where W. Hord Tipton, Assistant Director of Mines and Minerals for the Bureau of Land Management, testified in support of H.R. 1198. On June 19, 1997, the Subcommittee met to mark up H.R. 1198. No amendments were offered, and the bill was then ordered favorably reported to the Full Committee. On June 25, 1997, the Full Resources Committee met to consider H.R. 1198. A technical amendment was offered by Congressman Smith which provided the date and title of the map in the property description of the bill; the amendment was adopted by voice vote. The bill, as amended, was then ordered favorably reported to the House of Representatives by voice vote.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

With respect to the requirements of clause 2(l)(3) of rule XI of the Rules of the House of Representatives, and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee on Resources' oversight findings and recommendations are reflected in the body of this report.

CONSTITUTIONAL AUTHORITY STATEMENT

Article IV, section 3 of the Constitution of the United States grants Congress the authority to enact H.R. 1198.

COST OF THE LEGISLATION

Clause 7(a) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out H.R. 1198. However, clause 7(d) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 403 of the Congressional Budget Act of 1974.

COMPLIANCE WITH HOUSE RULE XI

1. With respect to the requirement of clause 2(l)(3)(B) of rule XI of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, H.R. 1198 does not contain any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures.

2. With respect to the requirement of clause 2(l)(3)(D) of rule XI of the Rules of the House of Representatives, the Committee has received no report of oversight findings and recommendations from the Committee on Government Reform and Oversight on the subject of H.R. 1198.

3. With respect to the requirement of clause 2(l)(3)(C) of rule XI of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 1198 from the Director of the Congressional Budget Office.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 3, 1997.

Hon. DON YOUNG,
*Chairman, Committee on Resources,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 1198, a bill to direct the Secretary of the Interior to convey certain land to the city of Grants Pass, Oregon.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Victoria V. Heid (for federal costs), and Marjorie Miller (for the state and local impact).

Sincerely,

PAUL VAN DE WATER
(For June E. O'Neill, Director).

Enclosure.

H.R. 1198—A bill to direct the Secretary of the Interior to convey certain land to the city of Grants Pass, Oregon

H.R. 1198 would direct the Secretary of the Interior to convey to the city of Grants Pass, Oregon, about 320 acres of federal land managed by the Bureau of Land Management (BLM). CBO estimates that enacting this bill would have no significant impact on the federal budget. H.R. 1198 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

The city currently leases the land to be conveyed and operates a solid waste landfill on about 200 acres of land. The city's lease is scheduled to expire in 2000, and BLM is unlikely to extend the lease. Because the city pays no fees for the lease, conveyance of the land would not result in a loss of receipts to the federal government.

The landfill, which Grants Pass has leased from BLM since 1968, has released contaminants that will require cleanup by the city. The bill provides that, as consideration for the conveyance, the city must indemnify the federal government for all liability that may arise from the property. Thus, enacting the bill would eliminate the possibility that the federal government would incur future costs for cleaning up the landfill. It is also unlikely that the federal government would incur any significant costs under current law because the city is already undertaking a cleanup effort. Thus, the bill might result in savings to the federal government, but any such savings are unlikely to be significant.

H.R. 1198 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 and would impose no costs on state, local, or tribal governments.

Enacting this bill would benefit the city of Grants Pass by allowing it to operate the landfill on this site after expiration of the lease and so generate additional revenue. According to city officials, the city needs this additional revenue to offset the cost of cleaning up hazardous substances released by the landfill. Because the city has already agreed to pay for cleaning up the site, the requirement that the city indemnify the federal government for all liability that may arise from the property would probably not result in additional spending. The city would not be required to offer any other compensation to the federal government.

The CBO staff contacts for this estimate are Victoria V. Heid (for federal costs), and Majorie Miller (for the state and local impact). This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

COMPLIANCE WITH PUBLIC LAW 104-4

H.R. 1198 contains no unfunded mandates.

CHANGES IN EXISTING LAW

If enacted, H.R. 1198 would make no changes in existing law.

APPENDIX

Merlin Landfill Map
June 20, 1997

